

OKLAHOMA CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
P.O. BOX 52000  
OKLAHOMA CITY, OK 73152-2000  
(Rule 165:10-3-1)

API NUMBER: 011 23849 A

Approval Date: 08/29/2017  
Expiration Date: 02/28/2018

Horizontal Hole Oil & Gas

Amend reason: AMEND TO HORIZONTAL HOLE

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 14N Rge: 12W

County: BLAINE

SPOT LOCATION:  NW  NW  NW  NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 270 225

Lease Name: BELTBUSTER 19-14N-12W

Well No: 1H

Well will be 225 feet from nearest unit or lease boundary.

Operator Name: PALOMA OPERATING CO INC

Telephone: 7136508509

OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC  
1100 LOUISIANA ST STE 5100  
HOUSTON, TX 77002-5220

BRADLEY ADAM NITZEL  
11132 DARLINGTON RD NW  
CALUMET OK 73014

Formation(s) (Permit Valid for Listed Formations Only):

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	12800	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 655726

Location Exception Orders: 666841

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 17913

Ground Elevation: 1632

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 200

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 15000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 17-33019

H. SEE MEMO

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.

Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

## PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 90000 Average: 40000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

## HORIZONTAL HOLE 1

Sec 19 Twp 14N Rge 12W County BLAINE

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 65

Feet From: WEST 1/4 Section Line: 400

Depth of Deviation: 12480

Radius of Turn: 471

Direction: 178

Total Length: 4693

Measured Total Depth: 17913

True Vertical Depth: 13168

End Point Location from Lease,  
Unit, or Property Line: 65

### Notes:

#### Category

#### Description

#### DEEP SURFACE CASING

8/16/2017 - G58 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

#### HYDRAULIC FRACTURING

11/13/2017 - G71 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: [OCCEWEB.COM/OG/OGFORMS.HTML](http://OCCEWEB.COM/OG/OGFORMS.HTML); AND,

3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: [FRACFOCUS.ORG](http://FRACFOCUS.ORG)

#### INTERMEDIATE CASING

8/15/2017 - G58 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

#### LOCATION EXCEPTION - 666841

12/4/2017 - G60 - (I.O.) 19-14N-12W  
X655726 MSSP  
POE TO BHL NCT 165' FNL, NCT 165' FSL, NCT 330' FWL  
PALOMA OPERATING CO.  
8/10/17

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011 23849 BELTBUSTER 19-14N-12W 1H

Category	Description
MEMO	8/15/2017 - G58 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING	8/29/2017 - G64 - N/A - STRATIGRAPHIC TEST
SPACING - 655726	12/4/2017 - G60 - (640) 19-14N-12W VAC 137604 MPLM, OTHERS EST MSSP, OTHERS